

AGENDA SUPPLEMENT (1)

Meeting: Environment Select Committee

Place: Kennet Room - County Hall, Bythesea Road, Trowbridge, BA14 8JN

Date: Wednesday 4 March 2020

Time: 10.30 am

The Agenda for the above meeting was published on 25 February 2020. Additional documents are now available and are attached to this Agenda Supplement.

Please direct any enquiries on this Agenda to Stuart Figini, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718221 or email stuart.figini@wiltshire.gov.uk

Press enquiries to Communications on direct lines (01225)713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

5 **Public Participation (Pages 3 - 4)**

Statement from David Fisher – Air Pollution in Royal Wootton Bassett

8 **Interim Management Arrangements for the Contracted Leisure Centres (Pages 5 - 20)**

Report and 2 appendices.

Please note the appendices contain exempt information as defined in Paragraph 3 of Part I of Schedule 12A to Section 100A(4) of the Local Government Act 1972 as the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Consideration of the appendices will be with the public and press excluded from the meeting.

Reason for taking item in private:

Paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).

DATE OF PUBLICATION: 3 March 2020

Wiltshire Council

Environment Select

4 March 2020

David Fisher – Air Pollution – Royal Wootton Bassett

To – Chairman of Environment Select Committee

I request that your Committee does all in its power, on behalf of its residents living in the vicinity of Crapper & Sons Landfill Site Park Grounds, Brinkworth Rd, Royal Wootton Bassett, SN4 8DW, to ensure that actions are taken to eliminate the gas odours emanating from the Landfill site.

I have previously spoken with the Council's Environmental Health Officers, who advised me that the site is regulated by the EA and that residents should address their concerns directly to the EA and to Landfill company. We are doing this, and I am pleased to say that our plight is now being covered by the media and James Gray. However, I also believe that the Council has a duty of care to its residents to ensure that the EA and Crapper & Sons take all necessary, and timely, actions to resolve the situation.

I have received an email from the EA confirming that the smell is due to hydrogen sulphide gas emanating from the site, which has a similar odour to mercaptan gas purposely added to natural gas supplies so that householders can smell gas leaks. Hopefully this gives the Committee an idea of the conditions being suffered by the residents. Can you imagine having a smell of a gas leak both inside and outside of your home such that you can't open a window to let the smell out as it will just let more in?

There is also the possible risk that a real gas leak may go unreported if residents believe it to be odours from the site with devastating consequences.

I am concerned that the EA and the Landfill company are only concentrating on corrective actions to stop the gas emanating from the current cell which is now full and ready to be capped, however, they were unable to provide any assurance that we will not experience the same situation when the waste in the new cell begins to decompose in 6 months' time.

I request that your Committee add this as an ongoing agenda item for future Committee meetings until you have tangible evidence from the EA and the Landfill company that the situation is resolved, and actions are in place to prevent its recurrence.

Yours Sincerely

David Fisher

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Wiltshire Council

Environment Select Committee

04 March 2020

Interim Management Arrangements for Wiltshire's Contracted Leisure Centres

Purpose of Report

1. This report recommends interim management arrangements for the Council leisure centres currently managed by Places for People Leisure Ltd (PfP).
2. A cabinet decision on [12 December 2017](#) determined that the previously agreed insourcing of the PfP managed sites as of 01 April 2018, was 'paused' pending work to review the facility stock, assess amalgamation and co-location of services, identify where facilities were best located and to agree the most appropriate model of delivery.
3. In 'pausing' the insourcing cabinet agreed to 'extend the PfP contract by a period of up to three years commencing 1 April 2018'.
4. Whilst some work has been undertaken to review the community assets, most of the work has not been completed. The consequence of this has culminated in a point whereby the PfP sites (and/or the Wiltshire Council managed sites) cannot be moved directly into the appropriate Cabinet agreed future operating model in time for 1st April 2021, as a sequential programme of works needs to be implemented.
5. In order to ensure the continuation of leisure services at these sites while progressing with a wider leisure facility review and needs assessment, Cabinet approval is being sought to approve a short-term procurement exercise for the management of the currently outsourced Wiltshire leisure sites.

Background

Previous Related Cabinet Decisions

6. Wiltshire Council currently operates a mixed management model for its stock of 21 Leisure Centres. Ten are managed in house, ten are outsourced to Places for People Leisure Ltd (PfP) and one is managed by a community trust (Cricklade Leisure Centre). The recommendations contained in the Cabinet paper relate to the PfP managed sites only.

7. On 10 November 2015 Wiltshire Council's Cabinet considered three options for the future management operation of the Council's leisure centres:
 - a. Option 1 – all facilities managed in house, resulting in the eleven* leisure centres managed and operated by PfP to be in-sourced. (*Now ten leisure centres due to the closure of Christie Miller Sports Centre on 19 October 2018).
 - b. Option 2 – all facilities outsourced, resulting in a procurement exercise to contract out all 21 leisure centres (excludes the community trust managed facility).
 - c. Option 3 – a mixed model based on the current outsourced facilities, resulting in a procurement exercise to re-procure the contract for the eleven contracted facilities and retaining in-house management for the other ten facilities (excludes the community managed facility).
8. Cabinet approved Option one, which would result in the in-sourcing of the PfP sites, effective as of 01 April 2018. Leisure Services proceeded to work towards this insourcing with the fixed transfer date occurring on 1 April 2018.
9. Over the two years following this decision, financial pressures and provision of several Campus facilities required that the Council reassess its assets and services. A further paper was presented to Cabinet on 12 December 2017 that requested the insourcing of the PfP managed sites was 'paused' pending work to; review the facility stock, assess amalgamation and co-location of services, identify where facilities were best located; agree the most appropriate model of delivery.
10. Cabinet resolved:

'To agree to pause the insourcing of the eleven leisure centres managed by Places for People Leisure Management Ltd for a period up to 3 years, commencing 1 April 2018, on the understanding that the review referred to in paragraph 4.1 (of the attached Cabinet Report dated 12 December 2017) and any procurement resulting from it will be undertaken in the shortest period achievable with strict project governance, including oversight by a member and officer task group and regular reporting of progress to cabinet, the first progress report to be made in 6 months from the date of this decision.

To agree to extend the Places for People Leisure Management Ltd contract by a period of up to three years commencing 1 April 2018 subject to negotiation of revised terms taking into account the council's financial position for this period;
11. It was also noted by Cabinet that 'agreeing to pause the previous Cabinet decision was not considered to be a reversal of that decision'.
12. Following the 2017 Cabinet decision, a high-level timeline was put in place to deliver the following key objectives:

- Variations to PfPs contracts
- Identify and progress all interdependencies
- Review community assets
- Review management options
- Implement the new management model

13. Achieving each of these strands would ensure that the appropriate needs assessments, and analysis would have been undertaken to inform the future management models. It was the councils' intention to then transition into the agreed management model directly at the end of PfPs contract. (01 April 2021).

Current Position

14. Of the five high level objectives noted above, only the first has been fully completed.

15. Whilst a good amount of background work has been undertaken to review the community assets, the information has not been comprehensively drawn together. The consequence of this has culminated in a point whereby the Places Leisure sites (and/or the Wiltshire Council managed sites) cannot be moved directly into the appropriate future operating model in time for 1st April 2021, as a robust and sequential programme of works needs to be implemented to inform Cabinets decision making process.

16. A new Director for Communities and Neighbourhoods started in post in November and to move the programme forward, Max Associates have been appointed to undertake the leisure facility needs assessment. This will identify the number, location and facility mix of leisure centres that is appropriate for the Council to provide to meet the future growth and demand of the Wiltshire population.

17. A set of recommendations will be provided by Max Associates by the end of March 2020. Included in the agreement is funding to produce four detailed business cases which will assess the capital and revenue costs of identified facilities. These are scheduled to be developed by July 2020.

18. Once the council has received a set of recommendations, a review of future management and delivery models can commence. This is envisaged to take six months with final recommendations for both facilities and management models to be taken to Cabinet no later than January 2021.

19. In order to progress the implementation of the agreed future facilities requirements and management model from April 2021, an interim management approach is required for the PfP sites. As noted above, the current contract with PfP ends on 31st March 2021. There is no further option for extension, as the 2017 Cabinet decision extended the contract beyond the contract terms and an extension would now be unlawful.

20. There is now an opportunity for the Council to test the leisure market and work in partnership with a future/existing operator to maximise the income

generation of these leisure sites, enhance the physical activity benefits to our communities and bring to Wiltshire the latest thinking and ideas for leisure delivery. This approach will also benefit how the council operates or procures its leisure facilities in the future.

Main Considerations for the Council

21. The contractual arrangements for the leisure centres managed by PfP are scheduled to expire on 31st March 2021. Pursuant to contract, an exit plan is to be agreed with PfP that will specify the transfer of the services to the council or to a replacement service provider, including timelines, to ensure a smooth transition of the services. Should an exit plan not be developed, the centres will automatically revert back into the council's direct management at the time of expiry.
22. Prior to moving to the future operating model, it is essential that the council understands not only the leisure facility requirements for the future but has a clear purpose for providing broader sport and physical activity opportunities for and with the community that meet the demographic changes and health, wellbeing and social needs of individuals and communities. The council will also have to determine a clear timeline for any recommended outcomes that impact on the facility stock.
23. It is important that the council understands the future number of facilities that it wishes to operate prior to analysing and testing which management model is appropriate to meet the needs of the community and also provide the most financially sound prospect for the council to ensure the long-term sustainability of the facilities.
24. As this cannot be achieved until at least late 2020/January 2021 it is not possible to implement any new management model for 01 April 2021.
25. Four options have been considered in making the final recommendation. These options will be contained as a Part 2 item for the Cabinet Report and as such are also contained as Part 2 for Environment Select Committee.
26. Of the four options that have been considered, only the interim procurement option can be achieved within the timeframe and without causing significant resource issues in terms of both staff and finances.
27. To provide sufficient time for the interim measure to be put in place a decision has to be taken prior to 31 March 2020. In addition, whilst PfPs contract would fall away on 31 March 2021, as a respected operator of our sites, it is only right that they are given 12 months' notice of our intentions.

Safeguarding Considerations

28. Under any management, or contractual arrangement, adherence to safeguarding policies, procedures, training and safer recruitment will be

expected. Safeguarding clauses are built into the current contract. The requirements will be built into the specification and contract as part of the tender process. Any new contractor will be expected to provide evidence of compliance.

Public Health Implications

29. Leisure facilities provide the opportunities for people to lead healthy and active lifestyles. Increasing physical activity can help to improve the physical and mental health and wellbeing of the population, improve healthy life expectancy and reduce inequalities. As a result, this can alleviate the reliance on health and social care, reduce sickness absence and therefore significantly reduce the cost associated with providing these services.
30. Access to leisure facilities supports the aim of increasing the number of people meeting physical activity guidelines and reducing the proportion of 'inactive' adults and children and young people.
31. Public health aims to increase participation by those people living in quintile 1, the most deprived areas of the county. These residents are also most likely to be the most economically disadvantaged in our community. Targeted work with priority groups who meet health inequality criteria as defined in the Joint Strategic Needs Assessment will also increase the focus on the use of leisure facilities and services to mitigate ill health and its long-term results in the population.
32. The specification for the contract will include a requirement for any contractor to deliver a range of key health improvement programmes and support the council in engaging with individuals and communities beyond the leisure centre buildings themselves. The specification will be drawn up in such a way that the contractor will be required to meet the council's requirements in relation to Public Health that may not yet be known, or articulated.

Environmental and Climate Change Considerations

33. Wiltshire Council pays utilities bills for all leisure centres, including those outsourced to the current contractor. Leisure centres are some of the highest energy users in the building estate due to long opening hours, high footfall, need for air conditioning, lighting, heating and water. The proposal will result in energy consumption associated with the service area remaining at current levels.
34. Whilst the current contractor is signed up to ISO14001, environmental performance is not a KPI written into current contractual arrangements and no financial incentives to reduce energy usage/emissions in centres under their operation. Appropriate revisions will need to be written into the revised specification that demonstrate carbon savings targets.
35. Wiltshire Council is also responsible for maintenance and servicing of facilities and as systems need to be replaced/upgraded, the council will

implement more energy efficient systems designed to reduce carbon emissions.

Equalities Impact of the Proposal

36. Under any management, or contractual arrangement appropriate levels of adherence to Equality Duty would be expected to include:

- a. Due regard to the need to eliminate unlawful discrimination
- b. Due regard to the need to advance equality of opportunity between those who share a protected characteristic and those who do not
- c. Due regard to the need to foster good relations between those who share a protected characteristic and those who do not

37. An Equalities Impact Assessment will be completed for the Cabinet report.

Financial Implications

38. Other than a staffing resource, which is incorporated into existing budgets, there is no cost to deliver a procurement process. It is anticipated that the outcome of the tendering process can be delivered on a cost neutral basis, however, this is an unknown. Contractual arrangements for leisure facilities have changed significantly over the last few years with contractors paying the respective local authority a lump sum, and/or a profit share in return for a long-term contract of 15-20 years.

39. The proposal is for a two year contract with an option for a further two years. Advice provided suggests that suppliers would be interested in a short/medium term contract on the basis that a longer-term arrangement with management of additional sites would be a possibility in the future.

Conclusions

40. Following this analysis it is noted that options 1 and 2 are resource heavy both in terms of costs to deliver and officer time to set up and manage the process. Legal advice confirms that it would be unlawful to enter into a further extension of Places Leisure's contract without re-tendering and therefore option 4 has been discounted.

41. Option 3 is the only option that Officers consider achievable successfully within the 12-month period.

42. Cabinet Liaison has recommended that the most cost efficient and commercially effective option for the short-term management of the leisure sites currently managed by Places Leisure is to undertake a short term retender.

43. Environment Select Committee is advised that the Cabinet report will recommend that Members approve Option 3, procurement of a short-term interim management arrangement.

Proposal

44. In order to ensure the continuation of leisure services at the Places for People Leisure Ltd sites while officers progress the wider leisure facility needs assessment and subsequent management options model, Cabinet approval is being sought to approve a short-term procurement exercise for the management of those sites.

45. It is recommended that Environment Select Committee:

- a. endorses the proposal as presented
- b. is engaged at the appropriate time in the process of agreeing the final leisure facility provision for the county and future management options.

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04 March 2020

Background Papers

Cabinet Report: Leisure Provision Part 1, 12 December 2017

Cabinet Report: Leisure Provision Part 2, Exempt, 12 December 2017

Cabinet Report: Management and Operation of Wiltshire Council's Leisure Centres, 10 November 2015 – Part 1

Appendices

None

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